

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

CLAUDINE SALDIVAR,

Plaintiff,

v.

INSIGHT GLOBAL, LLC,

Defendant.

Case No. 17-cv-05981 NC

**ORDER ON JOINT STIPULATION;
ORDER ON ORDER TO SHOW
CAUSE**

Re: Dkt. Nos. 12, 14

The Court issued an order to show cause regarding the Court's subject matter jurisdiction over the PAGA claim in this case. Dkt. No. 14. The concern was due to the fact that in the aftermath of the Supreme Court's decision in *Epic Sys. Corp. v. Lewis*, 138 S. Ct. 1612 (2018), this case could no longer proceed as a class action, and so the jurisdictional hook may have been lacking. The parties responded to the order. Dkt. Nos. 15, 16. The Court finds that the Court does have subject matter jurisdiction over the PAGA claim, even though this case is no longer a class action under *United Steel, Paper & Forestry, Rubber, Mfg., Energy, Allied Indus. & Serv. Workers Int'l Union, AFL-CIO, CLC v. Shell Oil Co.*, 602 F.3d 1087, 1091 (9th Cir. 2010). *United Steel* stands for the proposition that subject matter jurisdiction is determined for purposes of the Class Action Fairness Act when the case is removed to federal court, and that "post-removal events" do not defeat subject matter jurisdiction. *Id.* The Court must therefore retain jurisdiction over the PAGA claim.

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1 The parties filed a stipulation enumerating the following steps in the case. The
2 Court ADOPTS these steps and ORDERS:

3 1. The Parties will arbitrate Plaintiff's individual claims (including Plaintiff's
4 individual claim for unpaid wages under Labor Code section 558), pursuant to the
5 arbitration agreement Plaintiff signed;

6 2. Plaintiff's class claims are dismissed without prejudice in light of the class
7 action waiver contained in Plaintiff's arbitration agreement;

8 3. Plaintiff's representative PAGA claim is stayed in this Court pending
9 resolution of the arbitration of Plaintiff's individual claims; and

10 4. The Parties must provide the Court with a Status Report concerning the
11 status of the arbitration within seven (7) days of any ruling or award on the merits, and in
12 any event by December 21, 2018.

13 5. This case is administratively closed until the stay is lifted, or further court
14 order.

15
16 **IT IS SO ORDERED.**

17
18 Dated: July 24, 2018



NATHANAEL M. COUSINS
United States Magistrate Judge